



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
CHIEF FINANCIAL OFFICER/CHIEF ADMINISTRATIVE OFFICER

JUN 18 1998

MEMORANDUM FOR: Management and Budget Chiefs
Barry Keckler, BXA

FROM: Paul F. Roberts *Paul F. Roberts*

SUBJECT: Reducing Imprest Funds

The Finance Office and Finance Divisions in the Administrative Supports Centers (ASC) will be initiating actions to reduce the number of imprest funds during the remainder of FY 98. We would like to eliminate all imprest funds unless a justification is approved by the Finance Office for retention. Imprest funds located on ships and in remote parts of Alaska are examples of imprest funds that could be justified to remain open. In order to consider keeping an imprest fund open, a justification must be received from your office. The justification should be sent to the Director, Finance Office, by July 15, 1998.

These actions are being taken for several reasons. In August 1997, the Office of Inspector General recommended that the National Oceanic and Atmospheric Administration (NOAA) reduce the number of imprest funds. NOAA concurred with this recommendation by stating that imprest funds would be reduced by August 1998. In addition, NOAA decided that the cost of changing the Department Payment System (DPS) to be Year 2000 compliant was not cost beneficial. As a result, NOAA plans to stop processing payments in this system by FY 99. Currently, imprest fund replenishments are processed in DPS. We are planning to convert DPS payments to the Commerce Administrative Management System (CAMS). However, CAMS is not capable of processing imprest fund replenishments as part of its normal processing. This will require Finance staff to implement manual procedures for approved imprest funds.

Some actions have already been taken to reduce the amount of activity in imprest funds. In the Washington, D.C., area, local travel claims and claims for small purchases are being processed in CAMS. In the next few weeks, the ASCs will begin processing these claims in CAMS. NOAA is in the process of implementing Cash-In-Your-Account, and VISA checks to help further reduce the use of imprest funds. Also, the Finance Office/ASCs are looking at an alternative method for providing invitational travelers with cash travel advances.



These new initiatives and the implementation of CAMS should provide us with the opportunity to eliminate most imprest funds within NOAA during the current fiscal year. We believe that the elimination of these funds will provide savings to NOAA by reducing the costs associated with the management and oversight of these funds without negatively impacting NOAA's ability to acquire goods or services.

If you have any questions, please call Keith Schellhase at (301) 427-3035.